

(Regulations of the Fair Political Practices Commission Title 2, Division 6, California Code of Regulations.)

§ 18950.1. Gifts of Travel: Exceptions.

The following provisions shall apply to payments made for travel pursuant to Government Code Sections 89501 through 89506:

(a) Travel In Connection With Speeches, Panels, and Seminars.

(1) Only a reportable payment is subject to the limitations on gifts specified in Government Code Section 89503. See California Code of Regulations, Title 2, Section 18950.3, to determine whether a payment in connection with a speech, panel, or seminar is reportable.

(2) A payment made for travel, including actual transportation and related lodging and subsistence, is not subject to the prohibitions or limitations on honoraria and gifts specified in Government Code Sections 89501, 89502, or 89503 if:

(A) The travel is reasonably related to a legislative or governmental purpose, or to an issue of state, national, or international public policy, and

(B) The travel, including actual transportation and related lodging and subsistence, is in connection with a speech given by the official or candidate; the lodging and subsistence expenses are limited to the day immediately preceding, the day of, and the day immediately following the speech; and the travel is within the United States.

Except as otherwise provided by California Code of Regulations, Title 2, Section 18950.3, any payment made for travel specified in this subdivision (a)(2), shall be reported in accordance with Government Code Section 87207(c).

(b) Travel Provided by Governmental Entity or Charity. A payment made for travel, including actual transportation and related lodging and subsistence, is not subject to the

prohibitions or limitations on honoraria and gifts specified in Government Code Sections 89501, 89502, or 89503 if:

(1) The travel is reasonably related to a legislative or governmental purpose, or to an issue of state, national, or international public policy; and

(2) The payment is provided by a government, a governmental agency, a foreign government, a governmental authority, a bona fide public or private educational institution, defined in Section 203 of the Revenue and Taxation Code, or by a nonprofit organization that is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, or by a person that is domiciled outside the United States and that substantially satisfies the requirements for tax exempt status under Section 501(c)(3) of the Internal Revenue Code.

Except as provided by California Code of Regulations, Title 2, Section 18950.3, any payment, made for transportation, lodging, and subsistence, specified by subdivision (b), shall be reported in accordance with Government Code Section 87207(c).

(c) **Travel Paid From Campaign Funds.** A payment made for transportation and necessary lodging and subsistence, which payment is made from campaign funds as permitted by Government Code Section 89513, or which is a contribution, is not an honorarium or a gift.

(d) **Travel Provided By Official's Agency.** A payment made for transportation and necessary lodging and subsistence, which payment is made by the agency of an official, is not an honorarium or a gift.

(e) **Travel In Connection With Bona Fide Business.** A payment made for transportation, lodging, and subsistence, which payment is reasonably necessary in connection with a bona fide business, trade, or profession, and which satisfies the criteria for federal income tax deductions for business expenses specified in Sections 162 and 274 of the Internal Revenue Code, is not an

honorarium or gift unless the sole or predominant activity of the business, trade or profession is making speeches.

Note: Authority cited: Section 83112, Government Code. Reference: Sections 86111, 87207 and 89501 through 89506, Government Code.

HISTORY

1. New section filed 1-27-93; operative 2-26-93 (Register 93, No. 5).
2. Change without regulatory effect relocating section filed 11-17-94 pursuant to section 100, title 1, California Code of Regulations (Register 94, No. 46).
3. Amendment of section heading, first paragraph, subsections (a)(1)-(2), (a)(2)(B), (b), (d) and Note filed 7-25-95; operative 7-25-95 pursuant to Government Code section 11343.4(d) (Register 95, No. 30).
4. Amendment of subsections (a)(1)-(2) and (b) filed 10-23-96; operative 10-23-96 pursuant to Government Code section 11343.4(d) (Register 96, No. 43).
5. Amendment of subsection (b)(2) filed 5-26-98; operative 5-26-98. Submitted to OAL for printing only pursuant to *Fair Political Practices Commission v. Office of Administrative Law, Linda Stockdale Brewer*, Sacramento Superior Court, Case No. 51275 (1991) (Register 98, No. 22).